

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1426

AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-28-28 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]:

Chapter 28. State Economic Incentives and Compliance Report

Sec. 1. This chapter applies to grants, loans, and tax credits:

- (1) applied for; and
- (2) awarded;

after June 30, 2007.

Sec. 2. As used in this chapter, "grant" refers to a grant given by the corporation.

Sec. 3. As used in this chapter, "loan":

- (1) refers to a loan made by the corporation, regardless of whether the loan is forgivable; and
- (2) includes a loan guarantee made by the corporation.

Sec. 4. As used in this chapter, "tax credit" means a state tax liability credit under any of the following:

- (1) IC 6-3.1-7.
- (2) IC 6-3.1-13.
- (3) IC 6-3.1-13.5.
- (4) IC 6-3.1-26.
- (5) IC 6-3.1-27.

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(6) IC 6-3.1-28.

(7) IC 6-3.1-30.

Sec. 5. (a) Beginning February 1, 2008, the corporation shall:

(1) submit an economic incentives and compliance report to:

(A) the governor; and

(B) the legislative council in an electronic format under IC 5-14-6; and

(2) publish the report on the corporation's Internet web site; on the schedule specified in subsection (b).

(b) Before August 2, 2009, the corporation shall submit and publish before February 1 and August 1 of each year an incentives and compliance report that covers the six (6) month period that ends one (1) month before the report is due. After August 1, 2009, the corporation shall submit and publish before August 1 of each year an incentives and compliance report that covers the twelve (12) month period that ends one (1) month before the report is due.

Sec. 6. The economic incentives and compliance report required under section 5 of this chapter must include at least the following:

(1) The total amount of each of the following:

(A) Tax credits approved or awarded by the corporation.

(B) Loans made by the corporation.

(C) Grants made by the corporation.

(2) With respect to each recipient of a tax credit, loan, or grant referred to in subdivision (1):

(A) The name and address of the recipient.

(B) The amount of the tax credit, loan, or grant.

(C) The purpose of the tax credit, loan, or grant.

(D) Representations of the following made by the recipient at the time of application for the tax credit, loan, or grant:

(i) Numbers of employees to be hired, retained, or trained.

(ii) Certification by the corporation that each recipient is meeting the program requirements and representations made in the recipient's application concerning the wages and compensation provided to employees who have been or are to be hired, trained, or retrained.

(iii) Other benefits to be provided to employees to be hired, retained, or trained.

(E) The extent to which the recipient has complied with the representations referred to in clause (D).

Sec. 7. (a) If in the course of compiling information to complete

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a report required by section 5 of this chapter the corporation determines that a recipient of a grant or loan has not complied with the representations that the recipient made in obtaining the grant or loan, the corporation shall determine:

- (1) whether there was good cause for the noncompliance; and
- (2) whether the recipient is in default.

(b) If in the judgment of the corporation there is not good cause for any noncompliance discovered under subsection (a), the corporation may seek a refund or arrange other methods of reclaiming the grant or loan from the recipient. If the corporation does seek a refund or otherwise reclaims a grant or loan from the recipient under this section, the amount of the refund or reclaimed part must be in proportion to the degree of default by the recipient as determined by the corporation.

(c) Subsection (b) does not apply to a recipient of a grant or loan if:

- (1) the grant or loan has been disbursed on a pro rata basis; and
- (2) in the judgment of the corporation, the recipient's performance in relation to the recipient's performance goals equals or exceeds the ratio of the amount of the recipient's actual benefit from the grant or loan to the total amount of the grant or loan originally contemplated in the grant or loan award.

SECTION 2. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 6-3.1-13-23; IC 6-3.1-26-24.

SECTION 3. An emergency is declared for this act.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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